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Appendix VII.

[Vide answer to Starred question No. 2339 asked by Sri S. M. Annamalai on behalf of Sri M. P. Sarathi at the meeting of the Legislative Assembly held on 14th December 1961, page supra.]

[*Motor Cars (Distribution and Sale) Control Order*, 1959.]

1. *Short title—Extent and commencement.*—(1) This Order may be called the Motor Cars (Distribution and Sale) Control Order, 1959.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

(3) It shall come into force on the 1st day of May 1959.

2. *Definitions.*—In this Order, unless the context otherwise requires,—

(*a*) "Controller" means a person appointed by the Central Government to be the Controller of Motor Cars for the purposes of this Order;

(*b*) "Dealer" means a dealer or a sub-dealer in motor cars, and includes an agent appointed by a manufacturer for the sale of motor cars;

(*c*) "Manufacturer" means a manufacturer specified in Schedule I;

(*d*) "Motor car" means a motor car of any description specified in Schedule I, manufactured or assembled in India, or manufactured in India from components imported into India or manufactured in India or partly imported and partly manufactured in India, and includes every such description of motor car, whether called a station wagon, a utility type passenger car or by any other name;

(*e*) "Register" means the register maintained by a dealer under this Order;

(*f*) "Schedule" means a Schedule to this Order.

3. *Controller to fix quotas.*—The Controller may, from time to time, by order—

(*a*) fix quotas of motor cars for meeting the requirements of the Government or of any public authority, or of any class of persons having regard to the nature of their work or duties or of specified regions in India, and different quotas may be fixed for different purposes or for different descriptions of motor cars;

(*b*) direct a manufacturer to distribute the motor cars manufactured by him for sale in such regions through such dealers, in such number and manner and at such times as may be specified in the order.

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4. *Distribution of motor cars by manufacturers.*—No manufacturer shall, after the commencement of this Order, sell or otherwise dispose of, or offer to sell or otherwise dispose of, any description of motor cars manufactured by him, whether manufactured before or after such commencement or whether in assembled or unassembled condition, except in accordance with the order made by the Controller under clause 3.

5. *Application for purchase of motor cars.*—(1) Every person desirous of purchasing a motor car shall apply to a dealer in the form set out in Schedule II.

(2) Every such applicant shall also furnish along with the application a written guarantee from a bank undertaking to pay to the dealer at the time when the motor car is ready for delivery to the applicant a sum of rupees two thousand :

Provided that, in the case of a person whose name appears in the books of the dealer as an applicant for the purchase of a motor car at the commencement of this order, the guarantee may be furnished within thirty days of such commencement.

6. *Maintenance of register.*—(1) Every dealer shall maintain a register in which he shall register—

(*a*) the names and other particulars of persons who have applied to him in the manner specified in clause 5 for the purchase of a motor car ;

(*b*) the names of persons appearing in the books of the dealer at the commencement of this order.

(2) The names shall be registered in the case of persons referred to in sub-clause (1) (*a*), in accordance with the date of receipt of the application, and in the case of persons referred to in sub-clause (1) (*b*), in accordance with the date on which the name was entered in the books of the dealer.

(3) The register shall be open for inspection during working hours by any member of the public and such officers of the Central or State Government as may be authorized by that Government by general or special order.

7. *Sale of motor cars by dealer.*—Except where the sale of a motor car is to the Government or to a public authority or to a member of a class of persons to whom a special quota has been fixed, no dealer shall after the commencement of this order, sell a motor car to any person whose name is not on the register maintained by him under clause 6 or otherwise than in the order in which the names are registered in that register :

Provided that, in the case of a person who had registered this name for the purchase of a motor car with one dealer and who, not less than one month of such registration, has been permanently transferred to a place within the area of another

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dealer, the Controller or, in a State, an officer appointed for the purpose by the Government of that State may, by special permit in writing, authorise such other dealer to sell a motor car to such person at his turn established with the dealer with whom such person's name was originally registered :

Provided further that, where the person whose name is already on the register of a dealer is dead, the Controller or, in a State, an officer appointed for the purpose by the Government of that State, may, after making such inquiry as he deems fit, authorise the dealer, by permit in writing, to sell the motor car to the heir of such person.

7-A *Restrictions on purchase of new motor cars.*—No person who has purchased a new motor car in any calendar year shall be permitted to purchase another new motor car in the same year, except under a permit in writing from the Controller or, in a State, an officer appointed for the purpose by the Government of that State :

Provided that in the case of a purchaser which is a company association or other body of persons, whether incorporated or not, the Controller or the officer so appointed may, having regard to the nature of its business or its functions or any other relevant circumstance, by order in writing stating the reasons therefor authorize the purchase in any calendar year of such number of new motor cars not exceeding six as he may fix.

8. *Re-sale of motor cars.*—(1) No person shall, before the expiry of two years from the date when a motor car, was first purchased as a new motor car, sell or offer to sell it or enter into transaction involving the transfer of possession of the motor car to any other person except under and in accordance with the terms and conditions of a permit in writing from the Controller, or, in a State, an officer appointed for the purpose by the Government of that State.

(2) In granting or refusing a permit under sub-clause (1) the Controller or other officer shall have regard to the circumstances relating to the proposed transaction and to the purposes to be served by this Order.

9. *Maintenance and production of books, accounts, etc.*—(1) Every manufacturer and every dealer shall keep such books, accounts and records relating to the manufacture and distribution or as the case may be, the sale of motor cars as the Controller may prescribe.

(2) Every such book, account or record shall, when so required, be produced for inspection before the Controller or other authority specified by the Central Government in this behalf.

(3) Every manufacturer and every dealer shall furnish to the Controller such returns, in such manner and at such times as the Controller may specify.

SCHEDULE I.

[*See* clause 2 (c) and (*d*.)]

Name of manufacturer.	*Description of motor cars.*
1. Messrs. Hindustan Motors, Ltd., Uttarpara, District Hooghly (West Bengal).	Hindustan/Landmaster/Ambassador.
2. Messrs. Premier Automobiles, Ltd., Construction House, Ballard Estate, Bombay.	Fiat " 1100."
3. Messrs. Standard Motor Products of India, Ltd., 29, Mount Road, Madras.	Standard " 10 ", or Standard Herald.

SCHEDULE II.

[*See* clause 5 (1).]

Application for purchase of a motor car.

To

(Name and address of the dealer.)

Dear Sir,

I/We want to purchase a (description of motor car).

Please book my/our order and let me/us know the registration number of the order and the price of the motor car. I/We forward herewith a bank guarantee for Rs. 2,000 from (name and address of bank). The other requisite particulars are given below :—

(*a*) Full name and address of the applicant.

(*b*) Vocation of the applicant.

(*c*) Whether the applicant pays income-tax.

(*d*) Whether the applicant owns or has owned any motor car and if so, the date of purchase and sale, if any, of the last motor car.

(*e*) Whether the applicant has registered for a motor car with any other dealer. (If the answer is ' yes ' the particulars of the order should be stated.)

(*f*) Number and date of bank guarantee.

(*g*) Specifications of the motor car to be purchased.

(*h*) Any other information/instruction for the dealer.

Yours faithfully,

Date

Signature of applicant.